

**FISCAL NOTE**  
**SB 2154 - HB 2726**

February 16, 2004

**SUMMARY OF BILL:** Revises the lottery implementation law by providing that all unclaimed prize money will be directed to the Department of Mental Health and Development Disabilities for use in treating compulsive gambling disorders. Currently, such unclaimed lottery prize money is to be divided equally between a pool for future lottery prizes and a fund for after school programs.

**ESTIMATED FISCAL IMPACT:**

**State Expenditures - Prevents expenditures of \$2,000,000 for after school programs which is included in the Governor's FY04-05 Recommended Budget. These funds are earmarked from unclaimed lottery prize money.**

**Increase State Expenditures - Exceeds \$5,000,000/Department of Mental Health and Developmental Disabilities for compulsive gambling disorders. These funds are earmarked from unclaimed lottery prize money.**

**Other Fiscal Impact - A reduction in funds available for lottery scholarships estimated to exceed \$1,000,000.**

Estimate assumes:

- Funds for after school programs are included in the Governor's FY04-05 Recommended Budget and this bill deletes such programs.
- All unclaimed prize money under the bill will go for compulsive gambling disorders and this amount is estimated at least to exceed \$5,000,000 and could exceed \$10,000,000.
- Any unclaimed prize money that is not placed in a pool for future lottery prizes is estimated to result in a loss of funds available for either administrative functions (i.e. marketing), or less funds available for lottery scholarships. Any reduction in additional funds that would not be available for lottery scholarships from passage of this bill would depend on future actions taken by the Lottery Corporation concerning the level of administrative expenses. However, the reduction in funds available for lottery scholarships is estimated to exceed \$1,000,000 annually.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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